COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OHIO COUNTY WATER)
DISTRICT FOR ISSUANCE OF A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY FOR) CASE NO. 2004-00089
CONSTRUCTION OF WATER SYSTEM	
IMPROVEMENTS TO SERVE THE CITY OF	
FORDSVILLE)

<u>ORDER</u>

On March 16, 2004, Ohio County Water District ("Ohio District") applied for a Certificate of Public Convenience and Necessity to construct water system improvements to serve the city of Fordsville. The total project cost is \$800,000.

The project consists of the installation of approximately 8.5 miles of water mains, a master meter station, and radio telemetry.

Ohio District is funding this proposed project with a Community Development Block Grant in the amount of \$500,000, a Coal Severance Grant in the amount of \$241,500, and District funds in the amount of \$58,500. No rate adjustment will be required to fund this project.

After review of the evidence of the record and being otherwise sufficiently advised, the Commission finds that:

1. Ohio District proposes to construct 8.5 miles of water mains, a master meter station, and radio telemetry.

- 2. Plans and specifications for the proposed improvements prepared by Hunter Martin & Associates, Inc. of Paducah, Kentucky, have been approved by the Division of Water of the Environmental and Public Protection Cabinet.
- Public convenience and necessity require that the construction identified in
 Ohio District's application be performed and that a Certificate of Public Convenience and
 Necessity be granted.

IT IS THEREFORE ORDERED that:

- Ohio District is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the plans and specifications of record herein.
- 2. Ohio District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.
- 3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.
- 4. Ohio District shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.
- 5. Ohio District should require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky licensure, competent in civil or mechanical engineering, to ensure that the construction work is done in accordance

with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

6. Ohio District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

7. Nothing contained herein shall be construed as constituting approval of any other portion of Ohio District's application.

Done at Frankfort, Kentucky, this 8th day of April, 2004.

By the Commission

ATTEST:

Executive Director